January 2015 Monthly Mining Report

Facility Name: PolyMet Mining's NorthMet Mining Project

Current actions: 1) Support DNR on a joint state/federal Environmental Impact Statement for a

proposed copper/nickel mining and processing operation

2) 401 Certification discussions in parallel with 404 permit preparation

Project Supervisor Ann Foss

Project Manager: Jim Robin

Lead Staff: Sarah Seelen (AQ), Richard Clark (WQ), Jim Brist (401)

Lead Agencies: EIS: DNR, Army Corps of Engineers, US Forest Service

AQ and WQ permits, 401 Certification: MPCA

Accomplishments during this reporting period:

 MPCA staff continued to participate with the Co-lead Agencies in the process of preparing the Final EIS.

MPCA staff assisted DNR in managing comments received during the SDEIS comment period.

Plans for the next reporting period:

MPCA will assist the Co-lead Agencies in preparing to execute the Final EIS process.

Facility Name: US Steel - Minntac

Current actions: 1) Water permit reissuance for the tailings basin

2) Air permit major modification for removal of the existing wet scrubber and installation of dry controls, including fluidized bed dry scrubber/gas suspension absorber, baghouse, and activated carbon injection on line 6

3) Multi-media Schedule of Compliance (SOC)

4) 404 permit/401 certification application for installation of a Seep Collection

and Return System on the west side of the tailings basin

5) 404 permit/401 certification for the mine extension

Project Supervisor: Suzanne Baumann

Project Manager: Steve Sommer

Lead Staff: Erik Smith (WQ), Sarah Seelen (AQ), John Thomas (WQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

 MPCA is making changes to the draft tailings basin water permit following receipt of feedback on the pre-public notice draft.

- On January 20, 2015, MPCA sent a letter to USS requesting the company submit a final, complete air permit amendment application for installation of the Dry Controls Project within 30 days.
- MPCA received from USS the SOC required annual Dry Controls Effectiveness report.
- MPCA received from USS the SOC required annual Dark River Monitoring report.
- MPCA received the Rosgen Level I report on the potential stream mitigation of site of Spider Creek and is reviewing it. Per the 401 certification, USS has six months to propose an alternative stream mitigation option.

Plans for the next reporting period:

- Our goal is to put the tailings basin water permit on public notice in February.
- Continue reviewing the application and additional information provided for a 404 permit/401 certification for installation of a Seep Collection and Return System on the west side of the tailings basin.

Facility Name: US Steel - Keetac

Current actions: 1) Air permit major modification to revise the effective date of expansion-

related emissions limits and non-road recordkeeping

2) NPDES/SDS permit compliance schedule

3) NPDES/SDS permit modification

Project Supervisor: Suzanne Baumann

Project Manager: Steve Sommer

Lead Staff: Owen Seltz (AQ), Brandon Smith (WQ), John Thomas (WQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

MPCA staff is supporting the Attorney General's Office in its response to a US Steel-filed appeal to
the Minnesota Court of Appeals regarding the Keetac air permit issued on September 17, 2014. The
appeal relates to air dispersion re-modeling requirements contained in the permit.

 MPCA staff is reviewing a request to modify turbidity limits in NPDES/SDS Permit MN0031879 in response to changes to the state water quality standards for that parameter.

Plans for the next reporting period:

- Continue supporting the Attorney General's Office regarding the appeal.
- Complete effluent limits review for turbidity for the proposed NPDES/SDS modification.

Facility Name: Cliffs Erie LLC – Hoyt Lakes Mining Area and Tailings Basin Area

Current actions: Reissuance of combined water permits

Project Supervisor: Ann Foss
Project Manager: Jim Robin

Lead Staff: Richard Clark, Stephanie Handeland

Lead Agency: MPCA

Accomplishments during this reporting period:

• Continued discussions with the company to acquire necessary information for permitting.

Plans for the next reporting period:

• Continue internal discussion with the goal of refining the permitting approach and schedules for the various mining areas/discharges.

Facility Name: Northshore Mining Company

Current actions: 1) Water permit reissuance for Silver Bay Plant and Mile Post 7 Tailings Basin

2) Air permit major amendment application to install low NOx burners at the

power plant

3) Air permit moderate amendment application for installation of additional

material handling equipment in the finished pellet yard

4) Air permit major amendment application from Northshore to remove the

Control City Standard and MPCA initiated permit action to clarify the Control

City Standard

5) EAW and 404 permit/401 certification for Peter Mitchell Pit Progression

Project Supervisor: Jeff Udd (WQ)

Suzanne Baumann (AQ)

Project Manager: None

Lead Staff: Brandon Smith (WQ reissuance of Plant site permit); Richard Clark (EAW);

Hassan Bouchareb (Low NOx burner major AQ permit amendment); Cindy

Schafer (Material handling equipment moderate AQ permit amendment)

Lead Agency: MPCA for AQ and WQ Permits; DNR for EAW

Accomplishments during this reporting period:

- On January 26, 2015, the MPCA issued a major permit amendment to the company for the installation of low NOx burners (added to the completed projects section of this report).
- The moderate air permit amendment to install additional material handling equipment in the finished pellet yard is under EPA review.
- Continued work on the reissuance of the MP7 water permit.
- Formal denial of Northshore's air major modification request to remove the control city standard and all related requirements will be in parallel with the MPCA-initiated air permit amendment, which are awaiting release and evaluation of the Taconite Worker Health Study results.

Plans for the next reporting period:

Respond to any feedback received from EPA on the moderate air permit amendment to install
additional material handling equipment in the finished pellet yard.

- Pre-public notice of the MP7 water permit.
- Continue to support DNR in the EAW process for the Pit Progression project.
- Review and begin developing responses to comments received on the 404 permit/401 certification for the Pit Progression and continue work on the 401 certification.
- Meetings are planned with other state agencies to work together to understand the results of the
 Taconite Worker Health Study results and how they may impact our work.

Facility Name: United Taconite

Current actions: Air permit major modification to remove and replace particulate controls and

modify the scrubber solids wasting requirements.

Project Supervisor: Suzanne Baumann

Project Manager: Steve Sommer

Lead Staff: Owen Seltz (AQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

• Continue drafting the air permit major modification to remove and replace particulate controls and modify the scrubber solids wasting requirements.

Plans for the next reporting period:

 MPCA plans to place the draft air major permit amendment on 30-day public notice around February 23rd. MPCA staff is also planning to hold a public informational meeting regarding the draft permit on March 11th. Facility Name: Hibbing Taconite Company

Current actions: Air permit major modification to update GP 019: In-Pit Crushing and Cobbing

(IPCC) for increased flexibility

Project Supervisor: Steve Pak

Project Manager:

Lead Staff: Sarah Seelen (AQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

• Continue drafting the air permit major modification to allow flexibility for types of equipment to be used in IPCC.

Plans for the next reporting period:

• Continue to work on the air major modification request with the goal of putting the permit on public notice February 2015.

Facility Name: Magnetation Plant 1

Actions: Water permit reissuance

Project Supervisor: Suzanne Baumann

Project Manager: None

Lead Staff: Erik Smith

Lead Agency: MPCA

Accomplishments during this reporting period:

• Continued work on the draft SDS permit reissuance for Magnetation Plant 1.

Plans for next reporting period:

• Continue work on the draft permit.

Facility Name: Mining Resources LLC

Actions: Water permit major modification

Project Supervisor: Suzanne Baumann

Project Manager: None

Lead Staff: Stephanie Handeland

Lead Agency: MPCA

Accomplishments during this reporting period:

 Continued work on the draft SDS permit modification for addition of the Sherman Basin at Mining Resources LLC.

Plans for next reporting period:

• Public notice the draft permit.

Facility Name: Mesabi Nugget

Current actions: Submittal review for reissued water permit

Project Supervisor: Ann Foss

Project Manager: Vacant

Lead Staff: Cindy Schafer (AQ), Richard Clark (WQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

 Reviewing a Supplemental Information Submittal from Mesabi Nugget that was received in October in context of the water variance.

Plans for the next reporting period:

• Continue review of water permit submittals.

Facility Name: Twin Metals

Current actions: Support DNR on an Environmental Assessment Worksheet for a proposed bulk

sample

Project Supervisor: Suzanne Baumann

Project Manager: Ann Foss

Lead Staff: Vacant

Lead Agency: DNR

Accomplishments during this reporting period:

• Participate, as needed, in early coordination regarding environmental review roles.

Plans for the next reporting period:

• Continue to assist DNR as needed.

MAJOR PERMIT APPLICATIONS RECEIVED THIS MONTH

• No metallic mining major permit applications were received during January 2015.

COMPLETED MINING PROJECTS

Project Name: Northshore Mining Company – Low NOx Burner Project

Completed: Major air permit amendment was issued on January 26, 2015 for the installation

of low NOx burners.

Lead Staff: Hassan Bouchareb

Project Name: Magnetation Plant 4 Water Permit

Completed: Major water permit amendment was issued on November 12, 2014

Lead Staff: Erik Smith

Project Name: USS – Minntac Air Permit

Completed: Major air permit amendment to replace existing main burners on lines 4 and 5

with low NOx burners, December 5, 2013

Lead Staff: Sarah Seelen

Project Name: Northshore Mining Company – Peter Mitchell Mine Water Permit

Completed: NPDES/SDS Major Permit Modification, June 14, 2013

Lead Staff: Stephanie Handeland

Project Name: Magnetation Plant 4 Water Permit

Completed: SDS Permit Approved by MPCA Board, May 21, 2013

Project Coordinator: Suzanne Baumann

Lead Staff: Erik Smith

Project Name: Magnetation Plant 2 Water Permit
Completed: Water Permit Modified October 26, 2012

Project Coordinator: Katie Koelfgen

Lead Staff: Stephanie Handeland

Project Name: Essar Steel Minnesota Water Permit
Completed: Water Permit Issued October 1, 2012

Project Coordinator: Joe Henderson

Lead Staff: Stephanie Handeland

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Project Name: Essar Steel Minnesota Supplemental EIS, Air Permit

Completed: SEIS Deemed Adequate December 29, 2011

Air Construction Permit, May 10, 2012

Project Coordinator: Joe Henderson Lead Staff: Trevor Shearen

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Project Name: BART Determinations for Mines

Completed: May 2012 (MPCA work complete. EPA work may remain.)

Project Coordinator: None

Lead Staff: Hongming Jiang

Project Name: Magnetation (Pellet Plant and associated "Scram" Mining)

Completed: Cancelled by the Project Proposer

Project Coordinator: Brian Timerson Lead Staff: Owen Seltz

Project Name: USS – Keewatin Taconite Expansion Air and Water Permits

Completed: Air Construction, October 19, 2011

Air Final, December 6, 2011

Water Construction and Final November 15, 2011

Project Coordinator: Brian Timerson

Lead Staff: Owen Seltz, David Beil, Brandon Smith

Project Name: Cliffs Erie Title V Air Permit Reissuance

Completed: December 14, 2011
Project Coordinator: Suzanne Baumann
Lead Staff: Sarah Seelen

Project Name: Mining Resources (Steel Dynamics/Magnetation partnership)

(Separation of iron from natural ore tailings) Permitted as Scram Mining

SDS Water Permit

Completed: November 23, 2011
Project Manager: Joe Henderson
Project Coordinator: Brian Timerson
Lead Staff: Kate Frantz

Project Name: Hibbing Taconite Company

Major AQ Permit Amendment for In-Pit Crushing and Cobbing

Completed: November 16, 2011

Lead Staff: Sarah Seelen

Project Name: Midland Standard, Inc.

Water Permit

Completed: August 10, 2011.
Project Manager: Chris Nelson

Lead Staff: Stephanie Handeland

Project Name: Magnetation Mesabi Chief Tailings Basin 3 (Separation of iron from natural ore

tailings)

Water Permit

Completed: March 29, 2012.
Project Manager: Chris Nelson

Lead Staff: Stephanie Handeland

Project Name: ArcelorMittal Minorca Mine (Major amendment related to the Taconite MACT)

Air Permit

Completed: March 1, 2011
Project Manger: Carolina Schutt
Lead Staff: Steve Gorg

Project Name: U of M Coleraine Minerals Research Laboratory

WQ Permit

Completed: February 1, 2011
Project Manger: Chris Nelson

Lead Staff: Stephanie Handeland

Project Name: Magnetation Plant #2 (separation of natural ore tailings)

WQ (SDS) Permit (New)

Completed: October 28, 2010 Project Manger: Chris Nelson

Lead Staff: Stephanie Handeland

Project Name: United Taconite - Company proposed to burn solid fuels

AQ Permit Amendment

Completed: August 19, 2010
Project Manager: Chris Nelson
Lead Staff: Dick Cordes

Project Name: Northshore Mining Company - major amendment to insert Nugget Pilot Plant

operating conditions and limits back into the current operating permit

AQ Permit Amendment

Completed: On hold Project Manager: Ann Foss

Lead Staff: Suzanne Baumann

Project Name: Northshore Mining Company - MPCA-initiated permit reopening to clarify the

Control City Standard

AQ Permit Amendment

Completed: On hold Project Manager: Ann Foss

Lead Staff: Suzanne Baumann

Project Name: USS – Keewatin Taconite – Permit to allow dewatering of the Perry Pit

WQ Permit Amendment

Completed: June 17, 2010
Project Manager: Jeff Udd
Lead Staff: Brandon Smith

Project Name: Hibbing Taconite – Major Amendment for In-Pit Crushing and Cobbing

AQ Permit Amendment

Completed: June 25, 2010
Project Manager: Brian Timerson
Lead Staff: Sarah Seelen

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Project Name: United Taconite - administrative amendment for Greenball transfer project,

permit not needed for construction authorization

AQ Permit

Completed: June 22, 2010
Project Manager: Brian Timerson
Lead staff: Dick Cordes

Project Name: Cooperative Mineral Resources (CMR)

WQ Permit

Completed: June 2, 2010 Project Manager: Chris Nelson

Lead Staff: Stephanie Handeland

Project Name: Northshore Mining Company – Major Permit Amendment to extend stack test

deadline.

AQ Permit Amendment

Completed: January 20, 2010

Project Manager: Ann Foss

Lead Staff: Trevor Shearen (Expedited)

Project Name: Hibbing Taconite - Title V Permit Reissuance, Burner Replacement

AQ Permit Amendment

Completed: January 14, 2010 Project Manager: Chris Nelson

Lead Staff: Owen Seltz, Dick Cordes

Project Name: Mesabi Nugget Phase I – Major Permit Amendment, changes associated with

final design and construction.

AQ Permit Amendment

Completed: January 8, 2010 Project Manager: Chris Nelson

Lead Staff: Joe Miller, Brian Timerson

Project Name: Northshore Mining Company – Peter Mitchell Mine Permit Reissuance

WQ Permit

Completed: August 11, 2009 Project Manager: Chris Nelson

Lead staff: Stephanie Handeland

Project Name: Fugitive Dust Emission Factor – MPCA provided input on fugitive dust emission

factor being developed by the EPA.

Completed: February 12, 2009
Project Manager: Brian Timerson
Lead staff: Hongming Jiang

Project Name: **USS Minntac** - Backward-looking PSD permit for indurating process modification

AQ Permit

Completed: December 16, 2008

Project Manager: Chris Nelson

Lead staff: Hongming Jiang, Suzanne Venem

Project Name: Northshore Mining Company - administrative amendment to remove Control

City Standard from air permit

AQ Permit

Completed: May 20, 2008 Project Manager: Ann Foss

Lead staff: Suzanne Venem

Project Name: Hibbing Taconite Company - Mining Area Permit Reissuance

WO Permit

June 24, 2008 Completed:

Project Manager: Jeff Udd Lead Staff: Jeff Udd

Project Name: Minnesota Steel Industries AQ Permit Amendment

AQ Permit

Completed: May 30, 2008 Project Manager: Chris Nelson Lead staff: Dick Cordes

Project Name: Cliffs Erie / SDI - Transfer of Permits

> **AQ Permit WQ** Permit SW Permit

Completed: December 30, 2007

Project Manager: Jess Richards

Lead staff: Steve Gorg, Richard Clark, Julie Henderson

Project Name: USS Minntac - Permit Modification for Line 3 Scrubber Wastewater Treatment

WQ Permit

Completed: September 13, 2007 (permit modification issued)

Project Manager: Jeff Udd Jeff Udd Lead Staff:

Project Name: Essar Steel Minnesota LLC (formerly known as Minnesota Steel Industries)

> **AQ Permit WQ** Permit

Environmental Review - joint state/federal EIS with DNR the RGU August 2007 (EIS approval, water permits issuance), October 11, 2007 (air

Completed: permit issued)

Project Manager: Jeff Udd

Lead Staff: Katrina Kessler, Mike Mondloch, Jim Sullivan, Richard Cordes

Project Name: Cliffs Erie LLC - Hoyt Lakes Plant, Pellet Yard Upgrade

AQ Permit

MACT Applicability

WQ Permit

Completed: October 10, 2005 (permits issued)

Project Manager: Ann Foss

Richard Clark, Mike Mondloch Lead staff:

Project Name: **USS Minntac** – Direct WQ discharge from their tailings basin

Environmental Review - EIS with PCA the RGU

Completed: December 22, 2005 (EIS deemed adequate by MPCA Board)

Project Manager: Ann Foss Lead staff: John Elling, Richard Clark, Jim Strudell, Jeff Udd

Project Name: Birch Lake Exploration Shaft

EAW AQ Permit

WQ Permit

Completed: December 12, 2005 (project withdrawn by proposer)

Project Manager: Loren Voigt

Lead staff: Richard Clark, Dick Cordes

Project Name: Cliffs Erie LLC - Hoyt Lakes Plant

One Source/Two Source Applicability Determination

Completed: December 2005 (determination completed)

Project Manager: Loren Voigt Lead staff: Dick Cordes

Project Name: Northshore Mining - Start up of Furnace 5 and associated equipment

AQ Permit WQ Permit

Environmental Review - EAWAERA

Completed: April 22, 2006 (air permit issued; water permit issued December 2005)

Project Manager: Jeff Stollenwerk

Lead Staff: Dick Cordes, Jeff Udd, Dana Vanderbosch

Project Name: MN Power/Cliffs Erie -Taconite Harbor - Permit reissuance with split of permit

between MN Power and CCI

WQ Permits

Completed: December 22, 2005 (permits issued)

Project Manager: Jeff Stollenwerk Lead staff: Katrina Kessler

Project Name: Taconite MACT/Permitting Integration

New Rule Implementation Decisions

Completed: February 2006
Project Manager: Jeff Stollenwerk
Lead staff: Mike Mondloch

Project Name: Hibbing Taconite Company - various permit amendment applications (misc.

administrative amendments and modification of parametric monitoring requirements)

AQ Permit

Completed: February 23, 2006
Project Manager: Jeff Stollenwerk
Lead staff: Hongming Jiang

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Project Name: Northshore Mining - applicability determination for eliminating visible emission

checks

AQ Permit

Completed: April 28, 2006
Project Manager: Jeff Stollenwerk
Lead staff: Dick Cordes

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Project Name: Northshore Mining - Minor Mod of Mine permit to authorize movement of high

sulphur rock

WQ Permit

Completed: April 30, 2006 (permit modified)

Project Manager: Loren Voigt Lead staff: Richard Clark

Project Name: USS Minntac - Major Mod of Permit for Implications from Scrubber Installation

WQ Permit

Completed: July 2006 (permit modified May 21, 2006))

Project Manager: Loren Voigt Lead staff: Jeff Udd

Project Name: Northshore Mining - Major Amendment for Monitoring Parameter Changes

AQ Permit

Completed: July 2006 (permit amended)

Project Manager: Jeff Udd

Lead staff: Mike Mondloch

Project Name: Hibbing Taconite – Minor Mod of Mine Permit (change in dust suppressant use)

WQ Permit

Completed: August 29, 2006 (permit modified)

Project Manager: Loren Voigt Lead staff: Richard Clark

Project Name: Cliffs Erie - Land treatment of petroleum contaminated soils generated at

former LTV site

Solid Waste Permit

Reporting Period: September 2006 (permit issued)

Project Manager: Loren Voigt Lead staff: Julie Henderson

Project Name: Mittal Steel USA – East Reserve Project

EIS (w/ DNR as the RGU)

WQ and AQ Permits

Reporting Period: February 2007 (EIS completed; air and water permits issued)

Project Manager: Jess Richards

Lead staff: Richard Clark, Mike Mondloch

Project Name: USS Minntac - Request for SEIS on EIS Alternative B: Lake Superior Watershed

Discharge

Environmental Review

Completed: February 2007 (Response letter denying request)

Project Manager: Jess Richards

Lead staff: Richard Clark, Jim Strudell, Jim Sullivan, Jeff Udd